

Stafford Loan Forgiveness For Teachers

For loans in the FFEL and/or Federal Direct Loan Programs

The loan forgiveness program allows eligible borrowers to receive forgiveness of up to \$5,000 of their outstanding student loan balances

The FFEL/Direct Loan Forgiveness Program

The Stafford Loan forgiveness program became effective on July 1, 2001. The program grants loan forgiveness of up to \$5,000 for qualifying borrowers. It also allows for forbearance of repayment during the 5-year teaching period leading up to forgiveness.

Loan Forgiveness Conditions

To qualify for loan forgiveness of up to \$5,000, the borrower must meet ALL of the following conditions:

1. You borrowed a Stafford Loan through the Federal Family Education Loan (FFEL) and/or the Federal Direct Loan program;
2. You are a “new borrower”: either
 - You had no outstanding FFEL or Direct Loan balance on October 1, 1998, *or if you did have an outstanding balance,*
 - You paid off that balance before getting the loan(s) for which you are requesting forgiveness.
3. You have been employed for at least 5 consecutive, complete school years as a full-time teacher in a public or private, nonprofit elementary or secondary school designated as a low-income school. At least one of these years must occur after the 1997-98 academic year. (To find out whether your school is considered a low-income school, visit www.ed.gov/studentaid/payback.html or call 800-4-FED-AID [800-433-3243].) There are three exceptions to the “consecutive years” requirement:
 - You are called to active duty military status for more than 30 days.
 - You have a condition covered by the Family and Medical Leave Act.
 - You returned to postsecondary education for a purpose related to performing the teaching service for which you are requesting forgiveness.

For each of the exceptions to be allowable, you must have (a) taught for at least one half of an academic term, and (b) your employer must consider you to have fulfilled your contract terms for purposes of salary increases, tenure, and retirement.

4. You are not in default on the FFEL or Direct Loan for which you are requesting discharge, or you are in default but have established a satisfactory repayment arrangement with the holder of your loan.
5. You have not received a benefit for the same teaching service under the National and Community Service Act of 1990 (AmeriCorps).
6. You borrowed the loan for which forgiveness is requested prior to the end of the fifth year of qualifying teaching.
7. You meet the following certification requirements:
 - Elementary school teachers: Your school's chief administrative officer must certify that you demonstrate knowledge and teaching skills in certain areas of the elementary school curriculum.
 - Secondary school teachers: Your school's chief administrative officer must certify that you teach in a subject area that is relevant to your academic major.

You should include the certification with your request for forgiveness.

The holder(s) of your loan(s) can give you an application and other important information.

For more information, call the Federal Student Aid Information Center at 800-4-FED-AID (800-433-3243); TTY: 800-730-8913



Office of Student Financial Assistance

U.S. Department of Education